



**CITY OF GRANTS  
LODGERS' TAX FUNDING  
REQUEST PROCEDURE  
2024-2025 FISCAL YEAR**

The Lodgers' Tax Board of the City of Grants is soliciting proposals for funding for advertising, promotion, and publicity for the City of Grants and of tourist related events and attractions in Grants, New Mexico.

**I. INTRODUCTION**

A municipality may impose by Ordinance an Occupancy Tax for revenues on lodging within the Municipality. The City of Grants has exercised its Occupancy Tax privileges by imposing an Occupancy Tax of "Lodgers' Tax," as it is commonly known, has set forth definitions, provide for exemptions, established civil and criminal penalties, provided for audits, and established a Lodgers' Tax Advisory Board (also known as Lodgers' Tax Board) and administrative procedures. Every vendor who is furnishing any lodgings (including RV Parks & Short-Term Rentals) within a municipality is exercising a taxable privilege. The occupancy tax shall not exceed five percent (5%).

Proceeds from this tax shall be used specifically, as set forth by State Law and local Ordinance. Funds are made available to organizations that qualify for a Grant under the Lodgers' Tax Program. Those who wish to apply for a Grant must submit a Proposal to be considered by the Board. Funding approvals are based on criteria established by State Law, City of Grants Ordinance and these procedures, therefore, funds can be used only to advertise, publicize and promote the City and tourist-related attractions, facilities and events. Proposals will be submitted to the Board for their review and recommendations. All Board-approved grant awards then are recommended to the City Council for approval.

**II. PROGRAM REQUIREMENTS & PROCEDURE**

**A. Grant Request Prerequisites**

- i. Eligibility: All organizations existing within the surrounding area of the City of Grants are entitled to seek grants under the Lodgers' Tax Program.
- ii. Proposals should be submitted to the City of Grants Lodgers' Tax Board, c/o City Clerk, P.O. Box 879, Grants, NM 87020 by **March 7, 2024.**

**B. Funding Requirements**

- i. Grants will be awarded based upon availability of Lodgers' Tax Funds and on individual approval of eligible requests.
- ii. Priority will be given to those grant applications that meet the grant priorities listed below:
  1. Eligibility (based upon definitions as stated below)
  2. Promotions that encourage overnight stay in Grants
  3. Advertising that falls within allowable categories
  4. Sustained long term draw to the City of Grants
  5. Need for funding assistance to meet program objective
  6. Those that have followed the requirements of the prior year proposals

C. Definitions

- i. *Tourist*: A person(s) who travels a distance in excess of 50 miles for the purpose of business, pleasure, culture, recreation or vacation, who will generate Lodgers' Tax dollars in Grants, New Mexico.
- ii. *Promotions*: Events that are planned for, promoted to, and attended by tourists and encourage those who come to the City of Grants to extend their stay.
- iii. *Advertising*: to publicize and promote through media, distribution of promotional materials including, but not limited to, brochures, videos, billboards, insertion ads, media packets and internet. (No items to be for resale purposes)
  1. Eligible Cost: Including, but not limited to, the cost of ads, painting, printing, distribution, registration and booth rental fees, postage, envelopes, mailing and production costs.
  2. Ineligible Costs: including but not limited to, commissions, taxes, and sale items, etc.
- iv. *Coverage Area*: Outside a fifty (50) mile radius of Grants, New Mexico.
- v. *Budgets*: A listing of all sources and use of funds by an organization, its parent or subsidiaries. Required budgets must be submitted to the Lodgers' Tax Board together with the grant request proposal.
  1. Lodgers' Tax funding request for (July 24' - June 25') showing each line item plus total amount request.
  2. A current year (July 23'-June 24') organizational budget showing all sources of funding and the uses of funding.

D. Proposals

- i. Proposals shall provide the following information:
  1. Introduction – name of organization, address, email address, contact person, phone, etc.
  2. Organization Detail – the organization and what it does – Organization purpose, Mission Statement, goals and tax status.
  3. Project Narrative – describe the organization's objectives and how those objectives relate to Lodgers' Tax funding objectives.
  4. Budgets – Attach the budgets defined in *Section II – C – v – 1 & 2*.
  5. Expected Outcomes – projections, overall tracking methods, specifically related to the promotion being funded by Lodgers' Tax money.
  6. Fundraising – What plans do you have to raise additional funds outside those awarded by the City of Grants?
  7. Signatory Requirement – The request for grant funding proposal must contain the signature of a person(s) authorized to officially sign on behalf of the organization. By accepting the award, the organization agrees to the terms and conditions as set forth in all applicable State Statutes and City Ordinances.
  8. Submitting the Funding Request – A requesting organization that resides within the surrounding area of Grants should send the completed request for the funding (one original and five copies) to:

City of Grants Lodgers' Tax Advisory Board  
c/o City Clerk's Office  
PO Box 879 Grants, NM 87020.

They may also be dropped off at the Office of the City Clerk, City of Grants,  
600 W. Santa Fe Ave. Grants, NM 87020.

9. Presentation Meeting – A meeting date will be set for oral presentations, and will be no more than 15 minutes per organization, with standing questions from the Lodgers' Tax Advisory Board.

E. Outcome Assessment

- i. No later than 30 days following the promotion of an event, organizations receiving Lodgers' Tax funding shall schedule and appear before the Lodgers' Tax Board to deliver an Outcome Assessment.
- ii. Outcome Assessment shall contain the following:
  1. *Outcome Narrative*: Narrative about the success of the event assisted by Lodgers' Tax Grant and;
  2. *Specific Result*:
    - a. How did this grant meet:
      - i. Your Organization's Goals
      - ii. The Lodgers' Tax Board objectives as defined in Section III – A.
    - b. Advertising Effectiveness: Tracking Methods;
    - c. Budget showing projected expenditure as approved by the Lodgers' Tax Board and City Council with actual expenditures.

F. Reporting

- i. An Outcome Assessment, as described in E – ii – 1 & 2. It is the organization's responsibility to call the City Clerk, no less than two weeks in advance, to schedule a meeting with the Lodgers' Tax Board.
- ii. Quarterly outcomes report.
- iii. Submittal of all invoices for reimbursement. All invoices, and proof of payment by the organization, must be submitted, no later than ten (10) business days prior to the Lodgers' Tax Advisory Board Meeting, for approval prior to payment.

G. Payment Procedures

- i. An organization approved for Lodgers' Tax funding normally receives the Lodgers' Tax award money at the time they submit a request for payment together with the original invoice, and proof of payment, including copies of checks cashed, credit card receipt/cash receipt, for actual expenses to the City of Grants for presentation to the Lodgers' Tax Advisory Board. Upon approval a check is then issued to the organization or vendor, as approved.

H. Failure to Follow Guidelines

- i. Failure to follow guidelines as stated will result in the Lodgers' Tax Board not approving presented invoices and not considering future funding requests.

**III. GOALS OF THE LODGERS’ TAX ADVISORY BOARD**

The Lodgers’ Tax Advisory Board is established by State Law and City Ordinance. The Mayor appoints a five member Advisory Board that consists of: two members who are owners or operators of lodging establishments subject to the occupancy tax within the City of Grants; two members who are owners or operators of tourist related industries; and one member who represents the general public at large. The Board is directed to advise and recommend to the Governing Body concerning expenditure of funds authorized under Section 17 of the City Ordinance and holds itself accountable for setting goals and objectives to ensure responsible administration of Lodgers’ Tax Funds and making funding recommendations known to the Governing Body for their administration of all City of Grants funds. The Board annually reviews revenues and establishes a budget based upon projected revenues.

Because of the evidence of stagnate Lodgers’ Tax dollars over the past 5 years the Board found it necessary to continue encouraging those who apply for funding to focus on increasing the tourist-overnight stay in Grants to attempt to grow Lodgers’ Tax collected. The Lodgers’ Tax Board has set forth objectives, provided guidelines and scheduled tentative dates for overall administrative purposes and for the benefit of requestors who are planning their promotions and or events.

**A. LODGERS’ TAX BOARD OBJECTIVES**

1. To increase Lodgers’ Tax dollars.
2. For any organization receiving funds to create and utilize a marketing and advertising campaign isolating Interstate 40 as its primary tourist market.
3. To provide accountability through the budgeting process, advertising tracking methods, and documented expenses.
4. To meet the objectives of State Law and City Ordinance.
5. To encourage cooperative efforts in advertising to maximize advertising promotions and effectiveness of dollars spent.

**IV. CALENDAR: 2024-2025 Fiscal Year**

- Wed., 01/10/24, Publication of Grant Request Packet Availability  
01/24/24, 02/14/24,  
02/28/24, 03/06/24
- Mon., 01/12/24 Grant Request Packets available at the City Clerk’s Office
- Thur., 03/7/24 Deadline for Submitting Grant Request Packet
- Thur., 03/28/24 Public Meeting for Presentation (by Requestors) to  
Lodgers’ Tax Board Meeting (15 Minute time limitations on all presentations)
- Thur., 04/25/24 Lodgers’ Tax Board Meeting (Evaluation of Funding)
- Wed., 05/10/24 \*Tentative-City Council Approval (Special Meeting)

**\*\*NOTE: ALL DATES ARE TENTATIVE AND SUBJECT TO CHANGE, APPLICANTS ARE REQUIRED TO ATTEND ALL MEETINGS**

**V. OBLIGATION OF FUNDS**

- A. All funds will be obligated upon approval of the final budget submitted to the Governing Body of the City of Grants.

**VI. REVIEW AND APPROVAL PROCESS**

- A. An initial review shall be made when request for funding proposals are submitted to the Lodgers' Tax Board by the deadline date.
- B. All proposals are subject to negotiation with the Lodgers' Tax Advisory Board.
- C. The final review and determination of grant preliminary approvals will be made at a public meeting to award grant requests.
- D. The Lodgers' Tax budget will then, be sent to the City's Department of Finance and Administration to be included in the preliminary budget presentation to the Governing Body.
  - i. The preliminary budget will be finalized within the time period required by the State Department of Finance and Administration and presented to the Governing Body for final approval.
- E. Upon final approval of the budget, those who are awarded grants will be notified of the availability of funds and how to access the funds awarded.

**VII. COMPLIANCE**

- A. By accepting Lodgers' Tax funding from the City of Grants you agree to be bound in a contractual relationship based on the requirements and provisions expressed and referenced in this document.
- B. You agree that money expended by you of your organization is expended as outlined in this document, City Ordinance and State Statue.
- C. You further agree to any and all oversight as required by this document, City Ordinance and State Statue.

**VIII. GENERAL INFORMATION**

- A. Requestors are encouraged to submit applications in advance of the deadline in order to make any additions or corrections that might be noted by the Lodgers' Tax Board initial review of the application.
- B. The City Clerk is available to provide information about grant administration or fiscal issues related to the awarding of this grant.
- C. Requestors are required to send at least one organization representative to present and/or defend the organization's request at the Presentation Meeting.
  - i. These meetings are open to the public and the public has a right to attend the meeting and ask questions of the Requesting Organizations or the Lodgers' Tax Board.
    - 1. Therefore, public notice will be given of the time and date of the meetings. Recommendations of awards will be available for public review at City Hall, 600 W. Santa Fe Ave., Grants, New Mexico prior to the budget hearings.
- D. One free Copy of Section 3-38-13 through 3-38-22 NMSA and Ordinance 22-1262 shall be provided upon request from the Organization.
  - i. Additional copies are available at a nominal charge.
  - ii. You may review these documents or pick up a copy at the Office of the City Clerk, City Hall, 600 W. Santa Fe Ave. Grants, NM.